

AMENDED IN ASSEMBLY JUNE 27, 2001

**SENATE BILL**

**No. 739**

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**Introduced by ~~Committee on Budget and Fiscal Review~~ Senator  
Chesbro**

(Coauthors: Assembly Members Aroner, Calderon, Cardenas, Cardoza,  
Chu, Cohn, Dutra, Firebaugh, Horton, Keeley, Longville, Matthews,  
Migden, Nakano, Reyes, Salinas, Shelley, Strom-Martin, and  
Wiggins)

February 23, 2001

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~~An act relating to administration of state government, and declaring  
the urgency thereof, to take effect immediately. An act to add and repeal  
Section 14057 of the Government Code, relating to transportation, and  
declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 739, as amended, ~~Committee on Budget and Fiscal Review~~  
Chesbro. ~~Administration of state government~~ Rural Transit System  
Grant Program.

Existing law provides for funding of public transit under various  
programs, including the Mills-Alquist-Deddeh Act, also known as the  
Transportation Development Act.

This bill, until July 1, 2002, would require the Department of  
Transportation and the California Transportation Commission to  
establish a Rural Transit System Grant Program to purchase, construct,  
and rehabilitate transit facilities, vehicles, and equipment, including  
energy efficiency retrofits, and to purchase rights-of-way for transit  
systems. The bill would require the department to submit a report  
describing the projects funded under the program to the Legislature on  
or before June 30, 2002.

*This bill would not become operative unless funds for the program are appropriated by the Budget Act of 2001.*

*This bill would declare that it is to take effect immediately as an urgency statute.*

~~This bill would declare the intent of the Legislature to make the necessary changes to implement the Budget Act of 2001 relative to the administration of state government.~~

~~This bill would declare that it is to take effect immediately as an urgency statute.~~

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: ~~no~~ yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 ~~SECTION 1. — It is the intent of the Legislature in enacting this~~
- 2 *SECTION 1. Section 14057 is added to the Government Code,*
- 3 *to read:*
- 4 *14057. (a) For the purposes of this section, the following*
- 5 *terms have the following meanings:*
- 6 *(1) The “program” is the Rural Transit System Grant Program*
- 7 *established under this section.*
- 8 *(2) A “rural area” is an area that is not included within the*
- 9 *boundaries of an urbanized area, as defined by the United States*
- 10 *Bureau of Census in its latest decennial census.*
- 11 *(b) Not later than August 31, 2001, the department shall*
- 12 *prepare guidelines for the implementation of a Rural Transit*
- 13 *System Grant Program and submit those guidelines to the*
- 14 *commission for review.*
- 15 *(c) Not later than October 15, 2001, both of the following shall*
- 16 *occur:*
- 17 *(1) The commission shall adopt guidelines for the program.*
- 18 *(2) The department shall establish the program in accordance*
- 19 *with this section and the guidelines adopted by the commission.*
- 20 *(d) The guidelines prepared by the department and adopted by*
- 21 *the commission shall include all of the following requirements:*
- 22 *(1) The department shall award grants to recipients on a*
- 23 *competitive basis for projects that serve primarily rural areas.*
- 24 *(2) Grants shall be used for the following purposes:*

1 (A) To purchase, construct, and rehabilitate transit facilities,  
2 vehicles, and equipment, including, but not limited to, energy  
3 efficiency retrofits.

4 (B) To purchase rights-of-way for transit systems.

5 (3) Grants shall be awarded based on criteria that include, but  
6 are not limited to, all of the following:

7 (A) Project need and effectiveness.

8 (B) Filling transit service gaps, including, but not limited to,  
9 connectivity to other transit systems.

10 (C) The equitable distribution of funds.

11 (D) The potential of the project to improve the safety of  
12 passengers, transit workers, and the general public.

13 (E) Replacement of vehicles or equipment that have exceeded  
14 service life expectations.

15 (4) Grant awards shall be limited to any claimant, as defined  
16 in Section 99203 of the Public Utilities Code.

17 (5) Grants shall require all of the following:

18 (A) A project match requirement equal to the percentage of  
19 Mills-Alquist-Deddeh Act (Chapter 4 (commencing with Section  
20 99200) of Part 11 of Division 10 of the Public Utilities Code) funds  
21 expended for purposes other than transit, community transit  
22 services, pedestrian and bicycle, and transportation planning  
23 purposes, averaged over the three most recent fiscal years. The  
24 match requirement may not be less than 10 percent, and may not  
25 be more than 50 percent. However, no grant may be awarded to an  
26 applicant in any city, county, or city and county, in which funds that  
27 may be claimed by the applicant under the Mills-Alquist-Deddeh  
28 Act are expended for street and road purposes pursuant to  
29 subdivision (a) of Section 99400 of the Public Utilities Code in the  
30 same year as the year in which the application for a grant is made.

31 (B) A demonstration of maintenance of effort.

32 (C) A demonstration of financial ability to support ongoing  
33 operations of the public transportation services.

34 (e) The department shall prepare a report describing the types  
35 of projects funded under the Rural Transit System Grant Program,  
36 which shall be submitted to the Legislature on or before June 30,  
37 2002.

38 (f) This section shall become inoperative on July 1, 2002, and,  
39 as of January 1, 2003, is repealed, unless a later enacted statute,

1 *that becomes operative on or before January 1, 2003, deletes or*  
2 *extends the dates on which it becomes inoperative and is repealed.*

3 *SEC. 2. Section 1 of this act shall not become operative unless*  
4 *the Budget Act of 2001 for the 2001-02 fiscal year contains an*  
5 *appropriation for the Rural Transit System Grant Program.*

6 *SEC. 3. This act is an urgency statute necessary for the*  
7 *immediate preservation of the public peace, health, or safety*  
8 *within the meaning of Article IV of the Constitution and shall go*  
9 *into immediate effect. The facts constituting the necessity are:*

10 *In order to implement, at the earliest possible time, a rural*  
11 *transit system grant program, it is necessary that this act take effect*  
12 *immediately.*

13 ~~act to make the necessary statutory changes to implement the~~  
14 ~~Budget Act of 2001 relative to the administration of state~~  
15 ~~government.~~

16 ~~SEC. 2. This act is an urgency statute necessary for the~~  
17 ~~immediate preservation of the public peace, health, or safety~~  
18 ~~within the meaning of Article IV of the Constitution and shall go~~  
19 ~~into immediate effect. The facts constituting the necessity are:~~

20 ~~In order to make the necessary statutory changes to implement~~  
21 ~~the Budget Act of 2001 at the earliest possible time, it is necessary~~  
22 ~~that this act take effect immediately.~~

